GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:164
ANSWERED ON:19.02.2003
RENEWAL OF VEHICLES
YEMPARALA VENKATESWARA RAO

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government propose to impose heavy taxes on the renewal of vehicles after 15 years;

(b) if so, the details thereof; and

(c) the extent to which it is likely to curb use of old vehicles?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS(MAJOR GENERAL(RETD.) B KHANDURI)

(a) to (c): Taxation of Motor Vehicles falls under the purview of the respective State Governments. With a view to controlling pollution, phasing out of older vehicles through a higher rate of taxation on older vehicles had been proposed by the Government of India as a part of agenda item for the 30th meeting of Transport Development Council (TDC) held on 16.1.2003. Representatives of the States agreed during the meeting to the suggestion for levying a tax on the pattern of `Green Cess` imposed by Karnataka Government which envisages levy of road tax at an enhanced rate after the period of 15 years on all categories of motor vehicles. Further action in this regard is to be taken by the States. It is not possible to predict the extent to which it is likely to curb the use of old vehicles.